

SETTLEMENT AGREEMENT AND RELEASE

THIS SETTLEMENT AGREEMENT AND RELEASE (the “Agreement”) is made and entered into by and among Kinro Manufacturing, Inc. (“Respondent”), [REDACTED] (“Charging Party”), and the United States Department of Justice, Civil Rights Division, Office of Special Counsel for Immigration-Related Unfair Employment Practices (“Office of Special Counsel”).

WHEREAS, on May 28, 2010, the Office of Special Counsel received a charge filed by the Charging Party against Respondent (the “OSC Charge”) alleging national origin discrimination, citizenship status discrimination, unfair documentary practices and retaliation in violation of the unfair immigration-related employment practices provisions of 8 U.S.C. § 1324b (the “Act”).

WHEREAS, the Office of Special Counsel concluded based upon its investigation of the OSC Charge that there is reasonable cause to believe that Respondent committed unfair documentary practices in violation of the Act against the Charging Party and other non-U.S. citizens during the period October 1, 2009, to November 30, 2010, which allegations Respondent denies.

WHEREAS, the Office of Special Counsel, Respondent and the Charging Party wish to resolve the OSC Charge without further delay or expense and hereby acknowledge that they are voluntarily entering into this Settlement Agreement and Release.

NOW, THEREFORE, in consideration of the premises and mutual promises herein contained, it is agreed as follows:

1. To fully and finally resolve all disputes among the parties hereto as of the date of this Settlement Agreement and Release (“Agreement”), Respondent agrees to pay a civil penalty to the United States Treasury in the amount of twenty-five thousand dollars (\$25,000.00).
2. Respondent agrees to pay the Charging Party ten thousand dollars (\$10,000.00), which includes back pay and accumulated interest on back pay, minus applicable tax withholdings based on the tax rates of the current calendar year.
3. Respondent agrees to follow the applicable instructions contained in IRS Publication 957 and credit the Charging Party’s back pay award to the calendar quarters of the years when the back wages would have been earned.
4. The monies discussed in paragraph 1 shall be paid by check payable to the “United States Treasury, c/o Mac McConkey,” and mailed by express delivery service, along with a copy of the fully signed Agreement, to the following address, within 30 days of Respondent’s receipt of a fully signed copy of this Agreement:

Mac McConkey, Budget Officer
U.S. Department of Justice

Civil Rights Division
600 E Street, NW, Room 3313
Washington, DC 20004

On the same day a copy of such check and the express delivery service tracking number for this mailing shall be sent to Ronald Lee at ronald.lee@usdoj.gov.

5. The monies discussed in paragraph 2 shall be paid by check payable to the Charging Party and mailed, via express delivery service, to the following address, within 5 days from the date Respondent receives a fully signed copy of this Agreement:



On the same day a copy of such check and the express delivery service tracking number for this mailing shall be sent to Ronald Lee at ronald.lee@usdoj.gov.

6. The Charging Party shall be given the right of first refusal for a laborer position at Respondent's 1206 Eisenhower Drive, Goshen, IN 46526 location ("Plant 227") until December 31, 2011 at \$7.25 per hour plus any applicable shift differential, or the prevailing hourly wage for the position, whichever is higher.
7. Respondent agrees that it shall not discriminate on the basis of citizenship status or national origin in violation of 8 U.S.C. § 1324b.
8. Respondent agrees that it will treat all individuals equally, without regard to citizenship or immigration status, or national origin, during the employment eligibility verification and reverification process, by (a) honoring documentation that on its face reasonably appears to be genuine, relates to the person, and satisfies the requirements of 8 U.S.C. § 1324a(b), (b) not requesting more or different documents than are required by law, and (c) permitting all employees to present any document or combination of documents acceptable by law.
9. Respondent agrees that it will not retaliate against the Charging Party or any other person for his or her participation in this matter.
10. Respondent agrees to post a copy of the attached Notice provided by the United States Department of Justice (Attachment A) in all places where notices to employees and job applicants are normally posted. The Notice will be posted within fifteen (15) days from the date that Respondent receives a fully signed copy of this Agreement and will remain posted for one year thereafter.
11. Beginning not more than fifteen (15) days from the date that Respondent receives a fully signed copy of this Agreement, Respondent will provide a copy of the attached Notice

(Attachment A) to each applicant for employment, and Respondent will continue to do so for one year thereafter.

12. Respondent agrees to distribute a copy of the most current USCIS Employment Eligibility Verification Handbook for Employers (M-274) (“Handbook”) and the most current USCIS E-Verify Manual (M-775) (“Manual”) to all individuals who are responsible for formulating and/or carrying out Respondent's hiring and employment eligibility verification policy, including all managers and employees who have any role completing the Form I-9 or running E-Verify queries on behalf of Respondent, and/or who instruct individuals on the proper completion of the Form I-9 or use of E-Verify on behalf of Respondent (“Human Resources Personnel”). Copies of these documents and future revisions of the Form I-9, Handbook, and Manual can be obtained from the United States Citizenship and Immigration Services at www.uscis.gov.
13. Within thirty (30) days of receipt of a fully signed copy of this Agreement, Respondent will review its employment policies as they relate to nondiscrimination on the basis of citizenship status and shall, as necessary, revise such policies to:
 - (a) Prohibit (1) the requesting of employment eligibility verification documents from any individual prior to making an offer of employment; (2) discrimination on the basis of citizenship status or national origin; (3) disparate treatment of individuals, on the basis of citizenship status or national origin, during the Form I-9 employment eligibility verification and reverification process;
 - (b) Provide for investigation by Respondent of complaints of document abuse, citizenship status discrimination, national origin discrimination and retaliation within thirty (30) days of the date the complaint is made by any individual;
 - (c) Provide that when complaints are made, written findings of the results of the investigation and remedial actions proposed and/or taken will be made and maintained by the Respondent, and the results of the investigation and any remedial actions taken will be promptly communicated to the complainant; and
 - (d) Provide that Respondent shall not take any reprisal action against an employee for having opposed any employment practice made unlawful by 8 U.S.C. § 1324b, or for filing any charge, or participating in any lawful manner in any investigation or action under 8 U.S.C. § 1324b.

During the one (1) year following the effective date of this Agreement (the “Reporting Period”), Respondent shall provide any changes in employment policies as they relate to nondiscrimination on the basis of citizenship status to the Office of Special Counsel for review within thirty (30) days of the effective date of such revised policies.

14. Within thirty (30) days of receipt of a fully signed copy of this Agreement, Respondent will educate all Human Resources Personnel concerning their responsibilities to comply with 8 U.S.C. § 1324b and the appropriate use of E-Verify. An educational video regarding 8 U.S.C. § 1324b and E-Verify may be viewed to comply with this training requirement. The videos will be provided by the Office of Special Counsel.
15. Within ninety (90) days of receipt of a fully signed copy of this Agreement, the Office of Special Counsel shall provide Respondent's Human Resources Personnel with employment eligibility verification training explaining the employment eligibility verification and reverification process as it relates to discrimination on the basis of citizenship status or national origin. This training is separate and distinct from the training required by paragraph 14.
 - (a) All employees will be paid their normal rate of pay, and the training will occur during their normally scheduled workdays and work hours. Respondent shall bear all costs associated with these training sessions;
 - (b) For a period of three (3) years from the effective date of this Agreement, all new Human Resources Personnel hired by Respondent after the training described in paragraphs 14 and/or 15 has been conducted shall receive the training described in paragraphs 14 and/or 15 within fifteen (15) days of hire. The training provided by the Office of Special Counsel shall be recorded for this purpose.
 - (c) Individuals who comply with the training as described in paragraphs 14 and 15 shall complete Attachment B, including signatures, as evidence of such compliance. The original of Attachment B, including signatures, will be mailed to the Office of Special Counsel by registered or certified mail, return receipt requested, or via email to ronald.lee@usdoj.gov, within ten (10) days of the training session.
16. For a period of three (3) years from the effective date of this Agreement, the Office of Special Counsel reserves the right to make reasonable inquiries to Respondent necessary to review Respondent's compliance with this Agreement. As a part of such review, the Office of Special Counsel may require written reports concerning compliance, inspect Respondent's premises, examine witnesses, and examine and copy Respondent's documents at the expense of the Office of Special Counsel.
17. Every six (6) months during the Reporting Period, Respondent shall:
 - (a) Provide the Office of Special Counsel with copies of any complaints of document abuse, citizenship status discrimination, national origin discrimination, and retaliation, written findings of the results of the investigation and remedial actions proposed and/or taken, as provided in Respondent's nondiscrimination policies, as related to Plant 227.

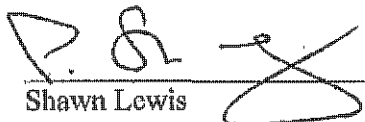
- (b) Provide the Office of Special Counsel with the completed Forms I-9 and E-Verify transaction history for all non-U.S. citizen employees hired into Plant 227 in that six-month period.
- 18. If the Office of Special Counsel has reason to believe that Respondent is in violation of any provision of this Agreement, the Office of Special Counsel shall promptly notify Respondent of the purported violation. Respondent then will be given a thirty (30) day period in which to cure any violation before Respondent is deemed by the Office of Special Counsel to be in violation of this Agreement.
- 19. The Charging Party agrees to withdraw with prejudice the OSC Charge. The Charging Party's signature on this Agreement will constitute a request for such withdrawal. The Office of Special Counsel agrees to accept the withdrawal of this charge upon the satisfaction of paragraphs 1-5 of this Agreement, and will dismiss the charge in accordance therewith.
- 20. This Agreement may be enforced in the United States District Court for the Northern District of Indiana.
- 21. This Agreement, subject to paragraph 22 below, resolves any and all differences between the parties relating to the charge filed by the Charging Party through the date this Agreement is signed by all parties.
- 22. This Agreement does not affect the right of any individual (other than the Charging Party as set forth above in paragraph 21) to file a charge alleging an unfair immigration related employment practice against Respondent with the Office of Special Counsel or the right of the Office of Special Counsel to investigate or file a complaint on behalf of any such individual.
- 23. The provisions of paragraphs 1 and 22 notwithstanding, the Office of Special Counsel shall not seek from Respondent any additional civil penalty for any alleged violation of 8 U.S.C. § 1324b for the period of October 1, 2009 through and including November 30, 2010.
- 24. The Office of Special Counsel and Respondent agree, in the event the Charging Party does not sign this Agreement, to be bound by the terms of this Agreement, except for paragraphs 2 and 5, and that the failure to obtain the Charging Party's signature does not affect the validity of this Agreement. If the Charging Party fails to sign this Agreement, the Office of Special Counsel agrees that it will nonetheless close the investigation of the Charging Party's charge in accordance with the terms of this Agreement, after Respondent complies with paragraphs 1 and 4.
- 25. Should any provision of this Agreement be declared or determined by any court to be illegal or invalid, the validity of the remaining parts, terms or provisions shall not be affected thereby and said illegal or invalid part, term or provision shall be deemed not to be a part of this Agreement. Respondent, the Office of Special Counsel and the Charging

Party agree that they will not, individually or in combination with another, seek to have any court declare or determine that any provision of this Agreement invalid.

26. This Agreement is neither an admission by Respondent of any act in violation of 8 U.S.C. § 1324b nor an admission by the United States of the merits of any of Respondent's defenses.
27. The Office of Special Counsel, Respondent, and the Charging Party agree to bear their own costs, attorneys' fees and other expenses incurred in this action.
28. This Agreement may be executed in multiple counterparts, each of which together shall be considered an original but all of which shall constitute one agreement. The parties agree to be bound by facsimile signatures.

Kinro Manufacturing, Inc.

By:


Shawn Lewis
Secretary

Dated: 8-24-11

Charging Party

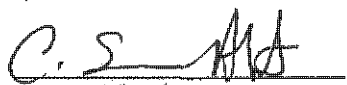
By:



Dated: _____

Office of Special Counsel for Immigration-Related Unfair Employment Practices

By:


Seema Nanda
Acting Deputy Special Counsel

Dated: 8/26/11

C. Sebastian Aloit
Acting Special Litigation Counsel

Jennifer Sultan
Acting Special Policy Counsel

Ronald Lee
Trial Attorney

Party agree that they will not, individually or in combination with another, seek to have any court declare or determine that any provision of this Agreement invalid.

26. This Agreement is neither an admission by Respondent of any act in violation of 8 U.S.C. § 1324b nor an admission by the United States of the merits of any of Respondent's defenses.
27. The Office of Special Counsel, Respondent, and the Charging Party agree to bear their own costs, attorneys' fees and other expenses incurred in this action.
28. This Agreement may be executed in multiple counterparts, each of which together shall be considered an original but all of which shall constitute one agreement. The parties agree to be bound by facsimile signatures.

Kinro Manufacturing, Inc.

By:

Shawn Lewis
Secretary

Dated: _____

Charging Party

By:

Dated: 8-25-11

Office of Special Counsel for Immigration-Related Unfair Employment Practices

By:

Seema Nanda
Acting Deputy Special Counsel

Dated: _____

C. Sebastian Aloit
Acting Special Litigation Counsel

Jennifer Sultan
Acting Special Policy Counsel

Ronald Lee
Trial Attorney